

# SUMMARY ANALYSIS OF AMENDED BILL

Franchise Tax Board

Author: Corbett Analyst: LuAnna Hass Bill Number: AB 1118

Related Bills: See Prior Analysis Telephone: 845-7478 Amended Date: April 16, 2001

Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** Seismic Retrofitting Credit

DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.

AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

☒ AMENDMENTS DID NOT RESOLVE THE DEPARTMENT'S CONCERNS stated in the previous analysis of bill as introduced February 23, 2001.

☒ FURTHER AMENDMENTS NECESSARY.

DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.

☒ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED February 23, 2001, STILL APPLIES.

OTHER - See comments below.

## SUMMARY

This bill would allow a credit equal to 55% of the costs of seismically retrofitting a single-family or multiple-family residential structure constructed before 1979.

## SUMMARY OF AMENDMENT

The April 16, 2001, amendments made various changes to the appropriations language and removed the urgency clause. The amendments do not affect the department and are not discussed in this analysis. The department's analysis of the bill as introduced February 23, 2001, still applies. The following implementation and technical considerations still apply and are included below for convenience.

## POSITION

Pending.

### Summary of Suggested Amendments

Amendments 1 through 4 would address the department's technical concerns.

Board Position:

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<input type="checkbox"/> N	<input type="checkbox"/> OUA	<input checked="" type="checkbox"/> PENDING

Legislative Director

Date

Brian Putler

05/16/01

### IMPLEMENTATION CONCERNS

This bill would require the department to provide a report on the "effectiveness" of the tax credit program. Although the department does accumulate and gather statistics related to income tax, it does not have expertise in seismic retrofitting and disaster preparedness. It may be more appropriate for the report to require the Seismic Safety Commission or the Legislative Analyst's Office to determine the "effectiveness" of the program, with statistical input from the department.

### TECHNICAL CONSIDERATIONS

Amendments 1 through 4 are provided to correct various inconsistencies between the two provisions.

### **LEGISLATIVE STAFF CONTACT**

LuAnna Hass  
Franchise Tax Board  
845-7478

Brian Putler  
Franchise Tax Board  
845-6333

Analyst	LuAnna Hass
Telephone #	845-7478
Attorney	Patrick Kusiak

FRANCHISE TAX BOARD'S  
PROPOSED AMENDMENTS TO AB 1118  
As Amended April 16, 2001

AMENDMENT 1

On page 3, line 22, strikeout "may", and insert:  
shall

AMENDMENT 2

On page 3, modify line 38 as follows:  
damage, including, but not limited to, the following:

AMENDMENT 3

On page 6, line 21, before "(1)" insert:  
(d)

AMENDMENT 4

On page 7, line 7, strikeout "then,"